



Galbraith

INVESTMENT SALE

**PRIME NEW BUILD INDUSTRIAL
& LOGISTICS INVESTMENT**

DFYNE | 2 Ellismuir Way | Tannochside Park | Glasgow | G71 5PW

INVESTMENT SUMMARY

01. New build industrial & logistics warehouse investment.

02. Located within an established industrial location 0.5 miles from the M8 to the East of Glasgow.

03. Highly specified new build industrial & logistics unit extending to (3,934 sq m) / 42,345 sq ft.

04. EPC Rating of A-03.

05. Let to OLR Holdings Limited t/a DFYNE.

06. New 10 year FRI lease from 7 February 2024.

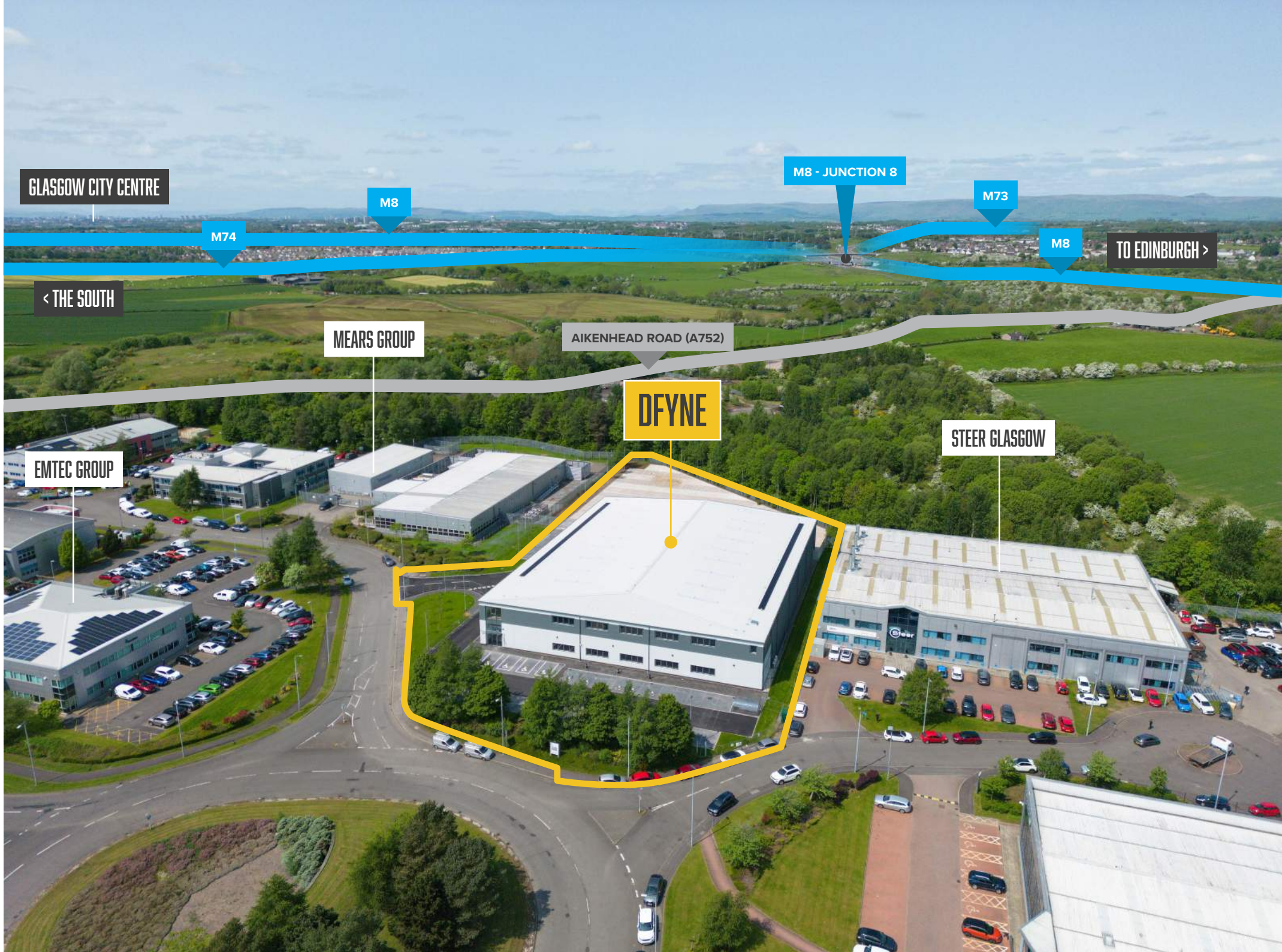
07. Tenant break in year 7 (12 months notice).

08. 5 yearly review to the higher of OMR or annual RPI compounded (collar 1.50% & cap 4.00%).

09. Passing rent of £392,000 p.a. exclusive.

10. Offers in excess of £5,400,000 exclusive.

11. Attractive Net Initial Yield of 6.81% and a capital rate of £127 psf.



GLASGOW CITY CENTRE

M74

M8

M8 - JUNCTION 8

M73

M8

TO EDINBURGH >

< THE SOUTH

MEARS GROUP

AIKENHEAD ROAD (A752)

DFYNE

STEER GLASGOW

EMTEC GROUP

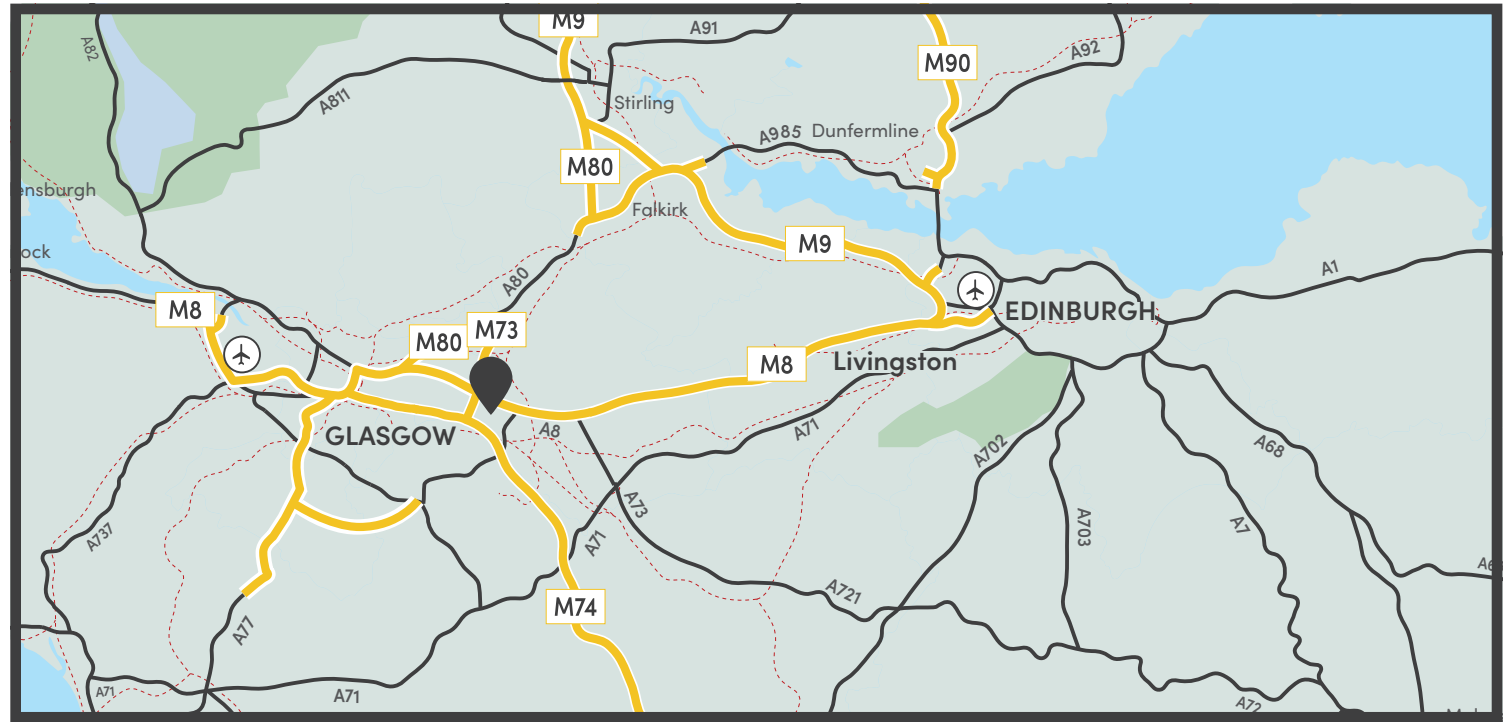
LOCATION

TANNOCHSIDE PARK IS AN ESTABLISHED PARK SITUATED IN AN EXCELLENT LOCATION FOR LOGISTICS AND MANUFACTURING.

The Park lies approximately half a mile from the M8/A8, connecting Glasgow (8 miles to the West) and Edinburgh (35 miles to the East). The M73 and M74 (M6) motorways also lie within a 5 minute drive of the Park.

Tannochside Park sits in close proximity to other well established industrial locations such as Bellshill, Eurocentral, Newhouse and Coatbridge and caters for industrial and distribution demand from occupiers who require to serve both Glasgow, Edinburgh and the rest of Scotland by having immediate access to the M8 and in turn M73/M74 motorway networks.

The property occupies a prominent site on Ellismuir Way, next to the main roundabout at the entrance to Tannochside Park. Neighboring occupiers include DPD, Whistl, Macphie, Hilti, Belgrade Insulation, Sky, Slater Menswear, Wayfair, Artisanal Spirits, Emtec Group, Steer Glasgow and Caledonian Plywood Company.



DESCRIPTION

2 Ellismuirway is a new build, high quality industrial and logistics property. The unit was built speculatively and completed in summer 2023 providing the following specification.

The property comprises a steel portal frame building with profile metal clad roof and walls with elements of feature composite cladding. Car parking is provided to the front of the unit with secure yard to the rear.

The specification includes:

- Internal eaves height of 9.00m
- 4 ground level loading doors (5.00m H x 4.00m W)
- Floor loading to a max 50KN/sqm
- 44 dedicated monoblock car spaces to the front including 4 disabled and 6 EV charging points
- Tarmacadam circulation road
- Large secure concrete yard with dedicated access (42m average depth)
- Provision for an additional 49 car spaces in rear yard
- External LED lighting
- Large ground floor reception
- First floor offices with lift access, raised floors, LED lighting and tea prep
- Offices are naturally ventilated with heating/cooling provided via VRV to the first-floor
- Power – circa 200 KVA



ENERGY PERFORMANCE

The building benefits from an EPC Rating of A-03.

ACCOMMODATION

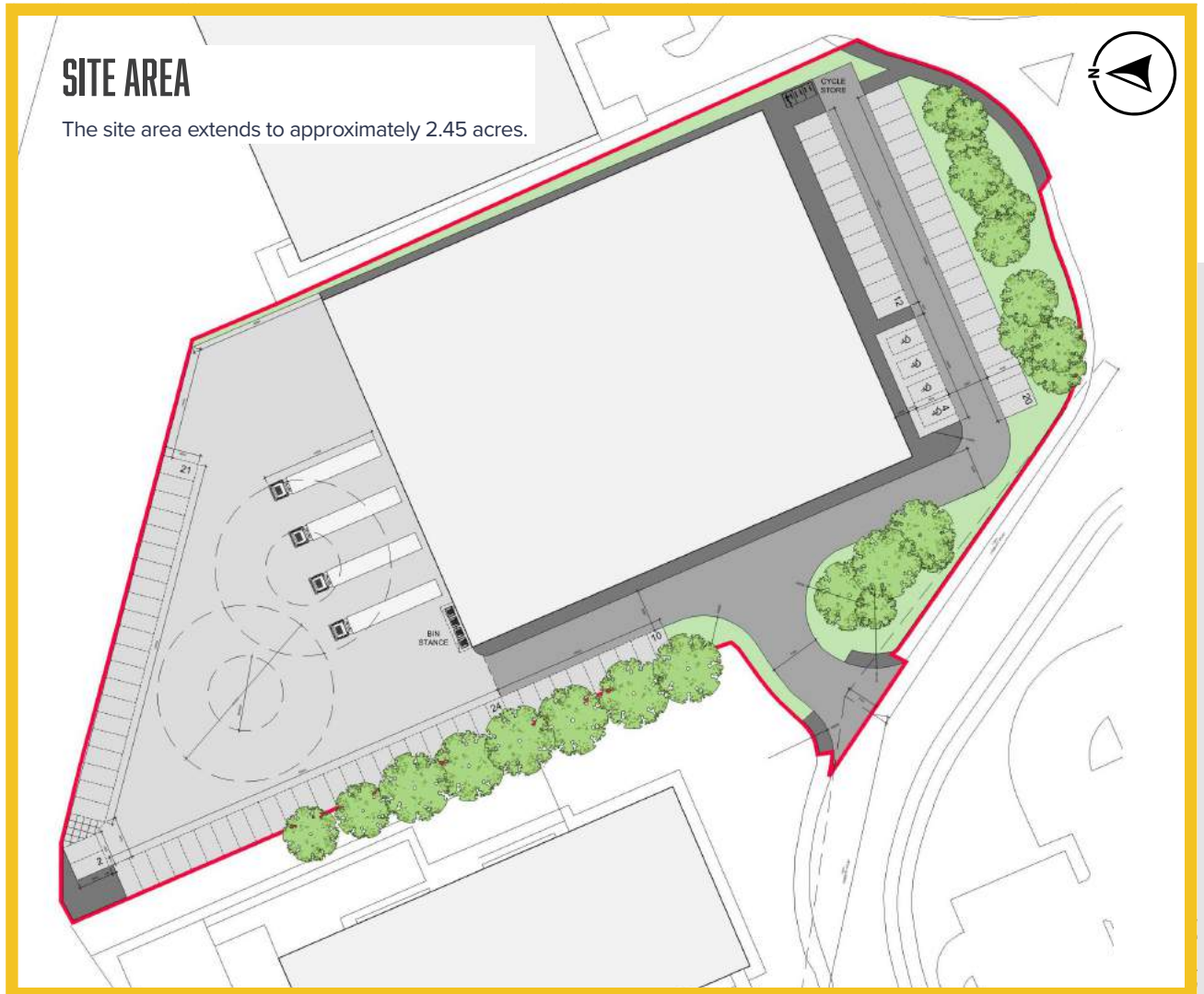
The property extends to the following approximate Gross Internal Area:

	SQ FT	SQ M
Ground Floor	38,126	3,541.99
First Floor Offices	4,219	391.95
Total GIA	42,345	3,933.94



SITE AREA

The site area extends to approximately 2.45 acres.



TENANCY

- Tenant: OLR Holdings Limited (No: 13135074) t/a DFYNE
- Lease Start: 7 February 2024
- Lease Expiry: 6 February 2034
- Annual Rent: £392,000 p.a. exclusive (£9.26 psf)
- Rent Review: 7 February 2029 to higher of:
 - open market rent or;
 - annual RPI compounded subject to a 1.5% collar and 4.0% cap)
- Tenant Break Option: 6 February 2031 (subject to 12 month's prior written notice)
- Repair: Full Repairing and Insuring lease
- Rent Free: 3 months from the date of entry and a further 3 months if break not actioned
- Rent Deposit: 6 months' rent - £196,000 plus 20% / VAT = £235,200
- Use: any use which falls within Classes 4, 5 or 6 of the Town & Country (Use Classes) (Scotland) Order 1997

The tenant will use the property as their main storage and distribution facility and will undertake a significant fit out to meet their operational demands.

SERVICE CHARGE

The park's common areas are maintained and managed via a service charge. The tenant will be responsible for paying 4.13% of the estate service charge for Tannochside Park. For the current year the service charge is £1,854.36.



TENANT COVENANT

DFYNE

OLR Holdings Limited (13135074) t/a DFYNE

www.uk.dfyne.com

Experian Rating “94/100 - Very Low Risk”

DFYNE is an exciting and innovative online activewear brand with a commitment to sustainability and ethically sourced materials. The company has built a community of influencers, product innovators and athletes to create new and inclusive products for the fitness community at large. The business is experiencing significant growth in worldwide sales and the move to new premises at Ellismuir Way is a key element of this expansion.

Financial Highlights to Year End 31 January

	2023	2024 (projected)
Turnover	£1,874,078	£13,292,000
Pre-Tax Profit	£797,368	£3,783,159
Net Assets	£442,483	£3,000,000 plus

At the current rate of growth the business anticipates that by the 31 January 2025 the turnover will have increased to circa £32 million which they estimate would reflect a pre-tax profit of circa £11 million.



SCOTTISH INDUSTRIAL MARKET

The Scottish industrial investment market remains buoyant, particularly for modern, high quality stock. The industrial investment market peaked in H1 2022 with a variety of investment yield evidence between 3.50% and 4.50%. This was due to a weight of investor requirements targeting the fundamentals of the sector. During 2023, due to global economics, property yield profiles have softened. However, occupational supply in Scotland remains at an all time low, providing the ideal landscape for continued rental growth and performance for those investors holding quality stock. Recent single let Scottish investment transactions include:

Date	Property	Tenant	Area (sq ft)	Notes	Price (Rate psf)	Yield
Q4 2023	100 Cambuslang Road, Cambuslang, Glasgow	Royal Mail	49,150	4.5 yrs term certain. Let at £8.26 psf.	£6.34m (£129 psf)	6.00%
Q4 2023	120 Cambuslang Road, Cambuslang, Glasgow	FPS	29,287	7 yrs term certain. Let at £7.00 psf.	£3.40m (£116 psf)	5.66%
Q4 2023	6 Bedlay View, Tannochside Park, Uddingston	Macfarlane Group	30,604	3 yrs term certain. Let at £6.50 psf.	£2.60m (£87 psf)	7.25%
Q3 2023	51 McNeil Drive, Eurocentral	Biffa Waste Services	52,459	11 yrs term certain. Let at £8.50 psf.	£6.75m (£129 psf)	6.20%
Q3 2023	Westfield Road, Newhouse	UPS	47,656	1.5 yrs term certain. Let at £7.42 psf.	£5.30m (£111 psf)	6.26%
Q2 2023	Unit 25, Whistleberry Park, Blantyre	Stanford Supply Chain Services	60,135	7.0 yrs term certain. Let at £4.74 psf.	£4.60m (£77 psf)	7.29%
Q1 2023	4 Bell Drive, Hamilton Int Park, Blantyre	Galaxy Insulation	36,055	15 yrs term certain. Let at £8.13 psf.	£4.50m (125 psf)	6.05%
Q4 2022	5 Brittan Way, Eurocentral	Gist	92,930	3 yrs term certain. Let at £6.75 psf.	£11.13m (£120 psf)	5.25%



PRICING

Offers are sought in excess of **£5,400,000** exclusive for our client's Heritable Interest which, assuming standard purchaser's costs and prevailing LBTT, reflects a **Net Initial Yield of 6.81%** and a capital rate of **£127 psf**.

TENURE

Long-leasehold interest expiring April 2180 at £1 p.a. (if asked) with an option to purchase for £1 anytime after 1 July 2023. The purchase of the heritable interest is underway and is anticipated by completion of any sale.

CAPITAL ALLOWANCES

No capital allowances are available for transfer. The election will be £1.

VAT

The exemption to VAT has been waived, however, it is anticipated that any sale will be treated by way of a Transfer of a Going Concern (TOGC).

ANTI-MONEY LAUNDERING REGULATIONS

Under both HMRC and RICS guidance, as property agents we are obliged to undertake AML diligence for both the purchasers and vendors (our client) involved in a transaction. As such, personal and or detailed financial and corporate information might be required before any terms are agreed or any transaction can conclude.

FURTHER INFORMATION

Interested parties are advised to note interest with the selling agent. Viewings are by appointment only. For additional information please contact:

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